

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Service, and Facilities of San Gabriel Valley Water Company (U 337 W).

FILED  
PUBLIC UTILITIES COMMISSION  
XX XX, XXXX  
SAN FRANCISCO OFFICE  
INVESTIGATION XX-XX-XXX

**ORDER INSTITUTING INVESTIGATION**

San Gabriel Valley Water Company (San Gabriel) is a public utility Class A water corporation under this Commission's jurisdiction. The Commission exercises, in connection with general rate cases (GRCs), its constitutional and legislative jurisdiction to regulate San Gabriel's rates, practices, service, and the reliability, safety, and adequacy of its facilities. (See Cal. Const. Article XII and Pub. Util. Code §§ 451 and 454.)

On August 5, 2005, San Gabriel filed Application (A.) 05-08-021, a GRC proceeding, requesting in its Fontana Water Company Division to increase revenues by \$5,662,900 or 13.1% in July 2006; \$3,072,500 or 6.3% in July 2007; and \$2,196,000 or 4.2% in July 2008. San Gabriel's requested revenue requirement includes virtually all the company's expenses for operation, maintenance, safety, and general expenses.

We commence this companion investigation to the GRC to be consolidated and heard with A.05-08-021. This investigatory proceeding is opened to allow the Commission to hear proposals other than San Gabriel's, and to enable the Commission to enter orders on matters for which the utility may not be the proponent. It is to afford parties and this Commission an opportunity and forum to provide and consider evidence on issues of interest. Those issues may result

in directives to San Gabriel that serve the public interest and result in just and reasonable rates, service, and facilities. San Gabriel is hereby placed on notice that the evidence taken in these consolidated proceedings may be the basis for findings and Commission orders which, among other things, may reduce rates and order refunds. Accordingly, the Commission commences this investigation to study and determine issues surrounding San Gabriel's revenue requirement, rates, rate base, dividends, service, facilities, and maintenance practices.

**IT IS ORDERED** that:

1. This investigation is commenced as a companion to, and shall be consolidated with Application (A.) 05-08-021, for the purpose of taking evidence and entering orders within the jurisdiction of the Commission in connection with San Gabriel Valley Water Company's (San Gabriel) revenue requirement, rates, rate base, dividends, service, maintenance, and facilities. San Gabriel is the respondent in this proceeding.
2. San Gabriel is hereby placed on notice that the Commission, for good cause, and to advance the public interest by setting just and reasonable rates and practices for the provision of utility service, may enter orders reducing rates and ordering refunds. This proceeding is classified as ratesetting. There is a need for a hearing.
3. The Executive Director shall cause a copy of this order to be served by mail on San Gabriel.
4. This order shall be served on the service list to A.05-08-021.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.